

Falmouth Town Council Special Meeting
April 15, 2008
Minutes

The meeting was called to order at 7:25 pm.

Item 1 Roll Call

Present and answering roll call: Councilors Wroblewski, Goggin, Rodden, Armitage, Breen, Payne and Libby.

Item 2 Public Hearing and Council to review the Tidewater LLC and Tidewater Conservation Foundation proposal to develop a Learning Center and other uses and to consider an order which will adopt recommendations by Councilors assigned to work on this project, such order to be in the form of a memorandum of understanding between the Town of Falmouth and Tidewater LLC. (Public comment will be accepted and encouraged)

Councilor Breen left the meeting momentarily.

Councilor Goggin gave a brief history of the project and its presence before the Council. This proposal is to amend the contract zone in order for Tidewater LLC to transfer the land referred to as TF-1 to the Tidewater Conservation Foundation and to allow them to build a structure within the conservation easement held by the Town.

Councilor Armitage opened the public hearing.

Councilor Breen returned to the meeting.

Peggy McGehee spoke about the Council serving as trustees. She was worried about putting potential office space within the conservation easement, if the university couldn't maintain its use of the building. She urged the Council to get conserved land in the mitigation plan that is of equal value to what is lost, assurance that the Learning Center will meet its conservation/agricultural purpose, and limits on all other uses of this building. She didn't feel the mitigation plan was strong enough.

Elwin Hanson observed that local farming is really needed. He would be happy to see the county agent housed in this building, and felt it would be a benefit to the local community and to the farmers. He said that open space doesn't do you any good unless it is used for the right purpose. If open space isn't used, it is worthless. He felt the proposed building would fit into the area.

Councilor Breen closed the public hearing.

The Council discussed whether they would consider an order tonight. Councilor Breen was hesitant to vote on an order since the modified mitigation plan was just received this evening, and she didn't feel they have had enough time to review it yet.

Councilor Goggin felt the ultimate question was whether it was appropriate to have a building that will, at least in part, be leased out for office space, on land that was put under conservation easement as part of an agreement with a developer. She thought the proposed uses could take place within the existing farm house and barn. She will vote no on this plan.

Councilor Wroblewski also felt this was too much and too big to be consistent with the original intention. He read from the original agreement; this does not feel to him to be a low-intensity project. He was concerned that, if the Tidewater Conservation Foundation doesn't make it, the building will still be there. This is a request to change the original deal entered into with Tidewater LLC and he didn't see much in the way of consideration for Falmouth in the mitigation plan. He would vote no.

Councilor Rodden liked the idea of what the TCF wants to do with the Learning Center, but she was concerned with the breach of the conservation easement. She felt that this was supposed to be open space, and not destroyed in any way. She didn't want to set a precedent of developers not taking conservation easements seriously. She was willing to go along with it if there was adequate mitigation, but she didn't feel that this mitigation plan was enough. She would vote no.

Councilor Armitage was disappointed; he has heard a lot of reasons why they shouldn't do it, and not a lot about why they should. The buildings on the property are not under the conservation easement and are not protected. He felt that the office space would make up a small percentage of the building, and they should weigh the economic and public benefit provided to the community. This would be a huge asset for the community. He felt the expansion of the easement to TF-2 and the farm buildings is a best-case scenario. He would support the MOU, as this is the framework and it would allow them to move forward to work out the little details.

Councilor Payne agreed with Councilor Armitage. He felt that if they didn't get this project underway and use this property in this manner, he thought they could lose the cooperative extension to another community as well as all the other opportunities that come with it. The historic buildings would lie fallow; trails would not be built, etc. He would hate to lose this opportunity and would be in favor of tabling this if there are not the votes to support it, so that they can work out the details.

Councilor Libby agreed with Councilors Armitage and Payne, but he would like to see this limited to strictly conservation/agricultural uses. He felt if the University needed administrative office space, they have a building on Woodville Road.

Councilor Breen appreciated the work that the TCF has put into this; she felt the Foundation has been put in a difficult situation. She saw how this could be an asset to the community, but the Foundation has no track record. She would like to see the programming start in the existing buildings; she had a problem erecting a 7000 sq foot building when there are two historic buildings sitting there not being used or renovated. She was disappointed in the mitigation plan that is before them. She thought there were a lot of things that could be an asset to the Town in this space. She takes the conservation easement very seriously, and didn't feel compelled at this point to support this. She is willing to table it, in the hope that the mitigation plan would get some teeth in it.

Councilor Goggin moved to deny the request to construct a building within the conservation easement. At such time as there is existing programming going on, and either use of the existing Finks Farm or a truly defined plan for how those buildings would be used, the Council would entertain a discussion again in the future from the Foundation for its needs. Councilor Wrobleski seconded.

Councilor Wrobleski observed that there is an obligation in the easement for the LLC to maintain the buildings, and that the programming was contemplated in those buildings. He would like to see more activity and more renovation in those buildings before they entertain any construction of a new building for this purpose.

Councilor Armitage observed that the Cooperative Extension and the University will go somewhere else if this gets denied, and therefore there won't be any programming going on.

Councilor Wrobleski felt it was the obligation of Tidewater LLC to figure that out.

Councilor Rodden moved to table the request to build a building within the conservation easement, until there can be a revised mitigation plan that is considered acceptable to the Council. Councilor Payne seconded. Motion passed 4-3 (Wrobleski, Goggin, Breen opposed).

Item 3 Presentation of the FY09 school budget.

George Entwistle, superintendent of Falmouth Schools, presented the school budget and the work that the staff and School Board have done to meet the challenge of the Council to keep the increase of the budget to only 3.5%. He discussed how they had achieved this goal, including reducing costs in the athletic and special education budgets. He was a little anxious about some of these cuts, but when questioned by Councilor Breen he said that he encouraged the School Board to recommend this budget in recognition of the hard economic times, and the School Board has endorsed it.

Councilor Breen opened the public hearing.

Kathy Helming-Reed, a member of the School Board, stated that she was the dissenting vote at the School Board meeting last night. She would like to hear the municipal budget before the order to sign the May 6 election warrant; she was curious to see if the municipal budget had met the 3.5% challenge as well.

Kathleen Parr of 12 Brookside Drive was also curious to hear the municipal budget final number.

The Council wanted to give the Town Manager the same opportunity to present his budget as the superintendent had.

Audrey Grassman of 20 Stonecrest Drive shared that she is a new resident of Falmouth, having moved from Virginia, and chose the town for a slower-paced lifestyle as well as the excellent school system. She is extremely pleased with the Falmouth school system.

Rob Nadeau of Drummond Woodsum drafted the warrant and he explained that a "no" vote on the referendum would mean that the whole budget would fail. The language is

statutorily required, and is very confusing. He and Town Manager Nathan Poore explained the process of adopting the order and warrant.

Beppie Cerf, chair of the School Board, explained that John Brautigam is working with several people in the legislature to rewrite the budget referendum language. She asked Mr. Nadeau if they could change to the more-clear language if the language is changed tomorrow, even though the Council had approved the confusing language tonight.

Mr. Nadeau said that if the Council signs the warrant tonight and the law changes tomorrow, the warrant will not reflect the new language. They need to post the warrant 7 days prior to the election so there is some time. The Council could hold a special meeting to revise the warrant prior to that 7 day limit.

Councilor Goggin wondered about adding language to the order to allow revisions to the language as amended by the legislature, but Mr. Nadeau stated that, if they sign the warrant tonight and revisions are made, they would have to meet again to sign a revised warrant.

Item 4 Order to sign the May 6 School Budget validation referendum election warrant.

Councilor Goggin moved to adopt the order and warrant as drafted. Councilor Payne seconded. Motion carried 7-0.

Councilor Breen closed the public hearing.

Item 5 Presentation of the FY09 municipal budget.

Town Manager Nathan Poore presented two versions of the municipal budget – one which did not meet the Council's 3.5% challenge and an alternative budget that did. In regards to the first budget, he stated that, without the Open Space Land Acquisition, the increase in the municipal budget is less than 1%. The open space acquisition brings it up to 5.5%. The impact on the mil rate of this budget would be \$.30. The alternative budget reduces the Open Space Acquisition to \$200,000 and restores some items removed from the first budget that the finance committee members were anxious about. The impact on the mil rate of this alternative budget would be \$.18.

Councilor Goggin asked about the percent increase on the mil rate caused by fully funding the open space acquisition. Randy Davis, budget analyst, figured it at 9.4%.

Councilor Rodden asked about alternative funding for Open Space. Nathan Poore explained that this budget takes away from an allocation to the reserve account, but that doesn't mean that they cannot purchase property in the next year. Purchases could come from the fund balance or they could borrow if they needed to, as long as they don't go over the total.

Councilor Breen opened the public hearing.

Karen Farber of 93 Foreside Road asked if they had a subcontract to clean the office buildings, or if they were direct hire staff.

Nathan Poore explained that they have had both a contract, which didn't work, and a direct hire that has since left. The Town now has two direct hire staff, one for the Town Hall, and another who tends the Fire Station, Police Station and Public Works.

Karen Farber asked about merging IT and support staff with the school department.

Nathan Poore explained that there is only one person providing IT support for Town Hall. The idea of consolidating town services has come up in the past, and will again.

Karen Farber asked if "street improvements" means repairs. She would be cautious about limiting street repair as she felt that they will pay for that in the end.

Nathan Poore explained that means everything – repairs, improvements and reconstruction.

Elise Kiely of 161 Woodlands Drive asked how this budget compares to other communities.

Nathan Poore said that Cumberland has cut more than Falmouth, due to the Chebeague issue. He doesn't know of any towns that have come in at as low an increase as Falmouth.

Elise Kiely was appreciative of the challenge issued by the Council. She supports the school budget as it is, and felt that cutting it any further would run the risk of the department having a deficit. She would like the municipal budget to be a realistic budget, and not have a lower number just for the sake of having a lower number.

Nathan Poore said he believes in this budget, but there is nothing left on the table. He is concerned that next year will be even harder.

Elwin Hanson spoke about the municipal budget; he asked if the Town receives the \$3 fee for online car registrations.

Nathan Poore said the State receives that, but the online service accounts for 30% of all registrations now, which allows for a reduction in staff in the Town Clerk's office.

Councilor Breen closed the public hearing.

Nathan Poore asked the Council for their position on the two budgets he presented.

Councilor Goggin liked moving the ombudsman salary out of the capital expenditure, was concerned about the fuel and asphalt costs, and was comfortable with the lower open space number. She didn't feel that it will be better next year, and felt that it should not come as a shock to taxpayers that taxes go up in the year following approval of bond issues, namely the public works building and open space acquisition. She thought there would be a problem raising taxes two years from now and explaining it as due to those two bond issues. She wondered what the plan was to meet the open space number, if it is reduced to \$200,000 this year; will it be kept at \$200,000 next year, and increased every year thereafter until it reaches \$700,000 to make up the difference from prior years. She felt that the School Board did a good job of making up for a decrease in revenues from the state without the Council having to ask. She is concerned with the superintendent's

anxiety with the 3.5% budget, and thought they were raising the risk of them having to dip into fund reserve. There were no school budgets in the area that came in at 3.66%.

Councilor Breen asked Councilor Payne about his stance on the reduction in the open space allocation.

Councilor Payne said that he was looking for relief in what he felt was an extraordinary year. He will expect to see it higher next year, with less removed from the fund balance. He thanked the school staff, School Board and town staff for meeting the challenge.

Councilor Breen wondered what they do about open space next year if they are in the same scenario.

Councilor Payne thought they would increase the allocation next year, to keep on track, but the Council will have to have the discussion next year.

Councilor Rodden asked if Councilor Payne expected to raise taxes next year to meet that allocation, or would they reduce the municipal budget to cover it.

Councilor Payne thought there will be some savings in the police contract that could go to open space, but there is a probability of a tax increase.

Councilor Wroblewski agreed with Councilor Goggin; he appreciated the work of the School Board to come in at 3.5%, but was anxious about the superintendent's concern. He was ready to support them at a 3.66% increase, and was concerned about hits to Special Education and ESL programming. He didn't want to jeopardize the education need of the kids and thought they might be setting a dangerous precedent in pushing down the school budget. On the municipal side he was in favor of the \$500,000 open space allocation; bonding would cost the town more money in the end. He was not in favor of reducing the allocation for streets, considering the increase in asphalt prices.

Councilor Rodden was impressed with the School Board's work to meet the challenge. She wants to keep taxes down as well, but wondered what impact this reduction would have on the school department. On the municipal side she would like to see a plan on the open space allocation, and was a little uncomfortable with the reduction.

Councilor Armitage complimented the School Board and appreciated the work they did to meet Councilor Payne's challenge. He was comfortable with the municipal 3.5% budget, even though he thought Nathan Poore had some anxiety with it. He thought there was some room for discussion around the ombudsman contract, the silver bullets in remote locations, and consolidation with other towns and/or the school department.

Councilor Payne thanked everyone for meeting the challenge. He thought it brought the opportunity to make choices. He is concerned with what kind of increase they will see next year with school consolidation – he thought there would be a significant increase in teacher salaries.

Beppie Cerf explained that, when the teacher contracts are up, there will be negotiations around the salaries; it isn't a slam dunk that the salaries will go up.

Councilor Libby said he will vote to support the school budget this year, but would not have made those cuts, as he felt they were emotional cuts. He thanked the department heads and town staff for their work, and supported the alternative budget presented.

Councilor Goggin observed that the open space allocation could be caught up if it was increased to \$400,000 next fiscal year, and then increased by \$35,000 every year thereafter. She challenged the Council to make that happen.

Councilor Breen was surprised by the 3.5% challenge, and said it wasn't her challenge. She was impressed and pleased that the School Board came in with a budget at 3.66%. She was very concerned with cutting the Special Education budget. She was also concerned with cutting the open space allocation without talking to the open space committee, whose members have worked very hard. She felt the challenge was arbitrary. She asked Nathan to put together two orders for each budget, one for the budget that meets the challenge and the other for the budget without the challenge.

Further public comment will be held at the next Council meeting.

Item 6 Adjourn

The meeting was adjourned at 10:29 pm.

Respectfully submitted,

Melissa Tryon
Administrative Assistant